



Ayrshire Farmers Mutual Telephone Co.

July 31, 1998

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Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW Room 222
Washington, DC 20554

Dear Ms. Salas:

Enclosed are the original and sixteen (16) copies of the comments of GVNW Inc./Management in response to the Commission's Notice of Proposed Rulemaking in CC Docket No. 98-77.

Also enclosed is one copy of our comments to be stamped and returned in the enclosed self-addressed stamped envelope.

Any questions regarding this filing may be directed to me at (712) 426-2800.

Sincerely,

Donald D. Miller

cc: Competitive Pricing Division
Common Carrier Bureau
Room 518
1919 M Street N. W.
Washington, DC 20554

International Transcription Service
1231 20th Street NW
Washington, DC 20036

Encl.

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In the Matter of)	
Access Charge Reform for Incumbent)	CC Docket No. 98-77
Local Exchange Carriers Subject to)	
Rate-of-Return Regulation)	

Ayrshire Telephone Company is a small rural local exchange carrier serving ___ access lines in the state of Iowa. These comments focus on the impact of certain proposals included in the Notice of Proposed Rulemaking (NPRM) for access reform for rate-of-return incumbent local exchange carriers.

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proposed change to the Part 69 allocation rules will provide many small LECs with the unintended incentive to terminate Billing & Collection agreements with IXC's.

In 1996 Ayrshire Telephone Company had \$8,394 revenue for the interstate billing and collection service compared to a cost of \$5,511 resulting in a profit of \$2,883 before the OB&C change and the proposed GSF change. The change in OB&C rules applied to the 1996 costs results in an interstate billing and collection cost of \$6,902 which reducing the profit to \$1,492. Taking this analysis the next step and folding in the proposed GSF change results in a cost assigned to interstate billing and collection of \$10,311, changing the profit into a loss on the service of \$1,917.

We ask the Commission to reject the proposed change which would jeopardize the billing and collection service currently provided to interexchange carriers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Don Miller".

Don Miller
Ayrshire Telephone Company